

## REMARKS

### Claim Rejections under 35 U.S.C. § 103.

Claims 1-23 stand rejected under 35 U.S.C. § 103(a) as unpatentable over U.S. Pat. No. 6,151,586 to Brown ("Brown") in view of U.S. Pat. No. 5,870,720 to Chusid ("Chusid").

An invention is unpatentable under 35 U.S.C. § 103(a) ("Section 103") "if the differences between the subject matter sought to be patented over the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which the subject matter pertains."

To establish a *prima facie* case of obviousness, three criteria must be met. "First, there must be some suggestion or motivation . . . to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations." MPEP § 2142.

A "clear and particular" showing of the suggestion to combine or modify is required to support an obviousness rejection under Section 103. *Id.* For the reasons set forth below, Applicant submits that the prior art fails both to teach or suggest all the claim limitations, and to clearly and particularly suggest the combination indicated by the Examiner; thus, Applicant's claims are not obvious in view of the prior art references.

In rejecting Applicant's claims 1-23, Examiner has disregarded significant claim limitations of the present application. Applicant's claim 1 recites "receiving a request to collect on an unpaid debt [and] determining whether to allocate a reward for the unpaid debt." Applicant's independent claim 20 recites the same steps embedded in a computer readable medium. Similarly, Applicant's independent claim 18, as amended, recites "receiving a request to perform the debt collection service

[and] determining whether to allocate a reward in connection with the request.” This amendment adds no new subject matter as it finds adequate support in the specification originally filed. See Specification, p. 17, ln. 20. Applicant finds no mention of these elements in any of the cited references, nor any equivalents thereof.

Brown discloses a computerized reward system for encouraging individual participation in a health management program. Brown neither discloses nor suggests receiving a request to collect on an unpaid debt or allocating a reward for the unpaid debt. Indeed, although Brown discloses determining whether to allocate a reward and allocating a reward, the reward taught therein is specifically directed to reward individual compliance with a health management program and is in no way related to the goal of collecting an unpaid debt.

In addition, the present invention provides that the party that performs the service requested, namely debt collection, also provides an incentive to the requesting party. In this manner, the present invention promotes the business of debt collection. Brown, on the other hand, fails to promote any kind of business relationship whatsoever. Rather, Brown teaches a quid pro quo type relationship, where a patient voluntarily gives information to a health management program in exchange for a reward. This type of two-way transaction is standard business practice and in no way promotes the business of either party.

Although Chisud teaches a method for restructuring debt, Chisud also fails to disclose or suggest receiving a request to collect on an unpaid debt and determining whether to allocate a reward for the unpaid debt. Indeed, Chisud is directed solely to debt restructuring and does not address or suggest debt collection at all. Neither Brown nor Chisud thus disclose or suggest each element of Applicant’s independent claims 1, 18 and 20.

Similarly, Applicant's independent claim 11 recites "certifying an individual to receive a reward for providing at least one in a series of unpaid debts to a collection entity [and] providing the reward to the certified individual upon providing the unpaid debt to the collection agency." Applicant finds no mention of these elements in any cited reference, nor any equivalents thereof.

Indeed, neither Brown nor Chisud teach any kind of certification process whatsoever. The "educational program" disclosed in Brown is simply one element of one embodiment of the invention disclosed therein. According to this embodiment, the educational program must be broadcast to a participating individual each time an individual seeks compliance with the program and hence entitlement to a reward. The certification program of the present invention, on the other hand, enables an individual to fulfill the certification requirements just once, after which the individual will be deemed "certified" and thus entitled to any number of subsequent incentive rewards, dependent solely on the individual providing a subsequent unpaid debt to the collection entity.

Brown may further be considered non-analogous art as the purpose of the invention disclosed therein is to facilitate health management rather than debt recovery. One skilled in the art would not be motivated by Brown to apply Brown to a debt recovery system and further would not be motivated to modify Brown to include additional steps related to promoting the business of debt collection, as disclosed by the present invention.

Claims 2-10, 12-17, and 21-23 add further limitations to otherwise allowable subject matter and are thus not rendered obvious by the cited references.

In light of the foregoing, Applicant respectfully submits that the inability of the cited references to produce Applicant's invention and the lack of any suggestion or motivation to combine

such art as suggested by the Examiner renders the present invention non-obvious in view of such references. Accordingly, Applicant respectfully requests withdrawal of the rejections of claims 1-23 under Section 103.

Claim Rejections under 35 U.S.C. § 101.

Claims 21-23 stand rejected under 35 U.S.C. § 101 ("Section 101") as being directed to non-statutory subject matter.

Section 101 defines patentable subject matter as "any new and useful process, machine, manufacture, or composition of matter, or new and useful improvement thereof."

Claim 20 recites a "computer program product for implementing within a computer system a method for encouraging presentation of unpaid debts for collection," wherein the output comprises "selectively apportioning monies that have been collected on the unpaid debt." A computer program "which defines structural and functional interrelationships between the computer program and the rest of the computer which permit the computer program's functionality to be realized" is defined as statutory subject matter. MPEP § 2106(II)(C)(a). Claim 20 is thus statutory subject matter. The limitations of claim 20 are incorporated into dependent claims 21-23 by reference. As claims 21-23 place further limitations on otherwise allowable subject matter, such claims also satisfy the statutory requirements of Section 101.

Applicant thus respectfully requests withdrawal of the rejections of claims 21-23 under Section 101.

Conclusion


Based on the foregoing, Applicant believes that the claims of the present invention are in condition for allowance and respectfully requests the same.

Should the Examiner have any questions, comments, or suggestions in furtherance of the prosecution of this application, the Examiner is invited to initiate a telephone interview with undersigned counsel.

DATED this 14 day of <sup>Aug.</sup>~~June~~, 2003.

Respectfully submitted,

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**VERSION WITH MARKINGS TO SHOW CHANGES MADE**

**IN THE CLAIMS:**

18. (Amended) A method for encouraging the presentation of a series of unpaid debts to a collection agency for pursuing collection on the unpaid debts, the method comprising the steps for:

providing a debt collection service for a flat fee;

receiving a request to perform the debt collection service to collect on an unpaid debt;

determining whether to allocate a reward in connection with the request;

collecting at least a portion of the unpaid debt; and

recovering ~~subtracting~~ at least a portion of the flat fee from the portion of the unpaid debt

that has been collected as payment for the flat fee.